United Tractors (UNTR): IDR 26,425 – BUY (from HOLD), SSI TP: IDR 29,600; Cons. TP: IDR 29,973



| 3Q24 Results: 30 October 2024 | | | | QoQ | YoY | | | YoY | 9M24/ | 9M24/ |
|-------------------------------|--------|--------|--------|-------|------|--------|--------|-------|---------|-----------|
| (IDRbn) | 3Q23 | 2Q24 | 3Q24 | (%) | (%) | 9M23 | 9M24 | (%) | SSI (%) | Cons. (%) |
| Revenue | 28,921 | 32,102 | 35,043 | 9.2 | 21.2 | 97,598 | 99,558 | 2.0 | 77.5 | 79.8 |
| Gross Profit | 6,982 | 8,682 | 8,847 | 1.9 | 26.7 | 25,674 | 25,716 | 0.2 | 78.5 | 81.0 |
| Operating Profit | 5,521 | 7,117 | 7,146 | 0.4 | 29.4 | 21,201 | 20,856 | (1.6) | 78.0 | 82.3 |
| EBITDA | 7,794 | 9,934 | 9,929 | (0.1) | 27.4 | 27,849 | 29,152 | 4.7 | 80.2 | 83.0 |
| Net Profit | 4,132 | 4,985 | 6,059 | 21.6 | 46.6 | 15,349 | 15,592 | 1.6 | 81.7 | 85.9 |
| Key Ratios | | | | | | | | | | |
| GPM (%) | 24.1 | 27.0 | 25.2 | - | - | 26.3 | 25.8 | - | - | - |
| OPM (%) | 19.1 | 22.2 | 20.4 | - | - | 21.7 | 20.9 | - | - | - |
| EBITDA Margin (%) | 26.9 | 30.9 | 28.3 | - | - | 28.5 | 29.3 | - | - | - |
| NPM (%) | 14.3 | 15.5 | 17.3 | - | - | 15.7 | 15.7 | - | _ | - |

Peer Comparables

| | Market | | Current | Target | | | 2024F — | | |
|--------|----------|--------|---------|--------|---------------|-------|-----------|-----|--------|
| Ticker | Cap. | Rating | Price | Price | EPS Growth | P/E | EV/EBITDA | P/B | ROE |
| | (IDR Tn) | | (IDR) | (IDR) | (%) | (x) | (x) | (x) | (%) |
| UNTR | 98.6 | BUY | 26,425 | 29,600 | (7.4) | 5.5 | 2.3 | 1.0 | 22.4 |
| DOID | 5.1 | N.R | 670 | N.A | (2.6) | (6.3) | 3.4 | 1.3 | (21.5) |
| ABMM | 10.8 | N.R | 3,920 | N.A | (38.6) | 3.6 | 5.7 | 0.8 | 23.2 |
| DEWA | 2.1 | N.R | 94 | N.A | (20.0) | 3.3 | 2.3 | 0.4 | 0.9 |
| Sector | 116.5 | | | | (10.3) | 4.7 | 2.7 | 1.0 | 20.2 |

SWOT Analysis of The Results (SSI: Above, Cons: Above)

Strength

Opportunity

and heavy equipment

Solid 3Q24 revenue growth, driven mainly by increased mining contracting activities (c.331 Mbcm; +8.9% QoQ, +20.4% YoY) and heavy equipment sales (1,174 units; +15.0% QoQ, -3.8% YoY), along with higher ASP thanks to favorable sales mix; FX gain of IDR 810bn (2Q24: IDR -311bn) on stronger IDR

Higher coal production volumes ahead of

the upcoming winter season, coupled with

moderate La Niña projection, may boost

volumes and demand for mining activities

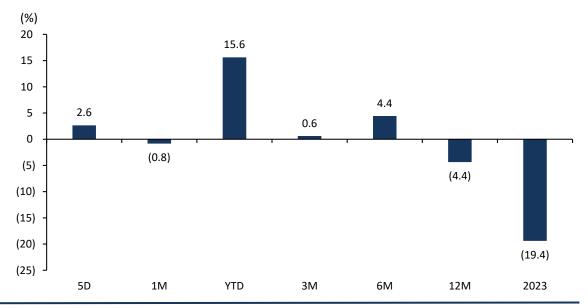
Weakness

3Q24 coal mining revenue declined to IDR 6.05tn (-27.3% QoQ) due to lower sales volumes (c.2.6 MT; -26.5% QoQ, +2.3% YoY) on adverse weather and ASP (IDR 2.3mn/ton; -1.2% QoQ, -45.9% YoY); gold revenue dropped to IDR 2.64tn (-7.2% QoQ) as sales volumes fell to c.55 koz (-9.8% QoQ)

Threat

Potential decline in prices, driven by insufficient stimulus from China and reduced imports from India as the country pivots toward renewable energy, could adversely affect demand for coal and mining activities

Relative Performance vs JCI



Sources: Company, Bloomberg, SSI Research

Analysts: Hernanda Cahyo